

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

A Bill

SENATE BILL 351

5 By: Senator Files
6

For An Act To Be Entitled

8 AN ACT TO ALLOW DELINQUENT TAXES, PENALTY, AND
9 INTEREST OWED TO THE DEPARTMENT OF FINANCE AND
10 ADMINISTRATION FOR WHICH CERTIFICATES OF INDEBTEDNESS
11 HAVE BEEN FILED TO BE DEDUCTED FROM THE PROCEEDS OF
12 TAX DELINQUENT LAND SALES AND PAID TO THE DEPARTMENT
13 OF FINANCE AND ADMINISTRATION, AND FOR OTHER
14 PURPOSES.
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Subtitle

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18 TO ALLOW DELINQUENT TAXES, PENALTY, AND
19 INTEREST OWED TO THE DEPARTMENT OF
20 FINANCE AND ADMINISTRATION TO BE PAID
21 FROM THE PROCEEDS OF TAX DELINQUENT LAND
22 SALES.
23

24
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 26-37-205(a), concerning the distribution
28 of funds from the sale of tax delinquent land, is amended to read as follows:

29 (a) All moneys collected by the Commissioner of State Lands from the
30 sale or redemption of tax delinquent lands shall be distributed as follows:

31 (1)(A) First, to the Commissioner of State Lands, the penalties,
32 the collection fees, the sale costs, and the other costs as prescribed by
33 law.

34 (B) The sale costs ~~shall include, but not be limited to,~~
35 include without limitation fees for title work;

36 (2) Second, to each county an amount equal to the taxes due plus



1 interest and costs to the county as certified by the county collector, which
2 amount shall be held in an escrow fund administered by and remitted to the
3 ~~counties~~ county within one (1) calendar year of ~~their~~ the receipt of the
4 moneys by the Commissioner of State Lands;

5 (3)(A) Third, to each county an amount equal to the delinquent
6 personal property taxes, plus penalty, of the owner or owners of the tax
7 delinquent land as certified by the county collector, which amount shall be
8 held in an escrow fund administered by and remitted to the ~~counties~~ county
9 after one (1) calendar year of ~~their~~ the receipt of the moneys by the
10 Commissioner of State Lands.

11 (B) The Commissioner of State Lands shall review the
12 information provided by the county collector and any other interested party
13 to ascertain:

14 (i) Whether the personal property tax and penalty
15 qualifies to be withheld from the tax delinquent land sale proceeds; and

16 (ii) The amount of personal property tax and penalty
17 that qualifies under this subdivision (a)(3) to be withheld.

18 (C) If the Commissioner of State Lands is required to make
19 a refund of the personal property taxes withheld under subdivision (a)(3)(A)
20 of this section to a purchaser of tax delinquent lands for any reason, the
21 amount of the refund shall be recovered by the Commissioner of State Lands
22 from the county or counties that originally received the proceeds under this
23 subdivision (a)(3) of this section of the tax delinquent land sale.

24 (D) The Commissioner of State Lands shall promulgate rules
25 and forms needed to administer this subdivision (a)(3).

26 (E) This section does not require the Commissioner of
27 State Lands to search county records to determine whether an owner of tax
28 delinquent land owes delinquent personal property taxes.

29 (F) This section does not grant a county a right to a lien
30 against real property for the payment of delinquent personal property tax;
31 ~~and~~

32 (4)(A) Fourth, to the Department of Finance and Administration
33 an amount equal to the delinquent tax, penalty, and interest owed to the
34 Department of Finance and Administration and for which certificates of
35 indebtedness have been filed against the owner or owners of the tax
36 delinquent land as certified by the Department of Finance and Administration,

1 which amount shall be held in an escrow fund administered by and remitted to
2 the Department of Finance and Administration within one (1) calendar year
3 after the receipt of the moneys by the Commissioner of State Lands.

4 (B) If the Commissioner of State Lands is required to make
5 a refund of the taxes withheld under subdivision (a)(4)(A) of this section to
6 a purchaser of tax delinquent lands for any reason, the amount of the refund
7 shall be recovered by the Commissioner of State Lands from the Department of
8 Finance and Administration from the proceeds originally received under this
9 subdivision (a)(4).

10 (C) The Commissioner of State Lands shall promulgate rules
11 and forms needed to administer this subdivision (a)(4); and

12 ~~(4)(5)~~ ~~Fourth~~ ~~Fifth~~, to be placed in another escrow fund
13 administered by the Commissioner of State Lands, the remainder, if any.

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16 **APPROVED: 03/30/2011**
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